



Baltimore City
Department of Finance



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Highlights

- An overview of the City's new Lean training initiative
- Six Sigma training for DOT employees
- New Good Government Book Club selection
- FY2015 Innovation Fund Application Announced
- BBMR presenting at region Lean conference
- A look at the City's new single space "smart" parking meters

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Leaning Forward

The Official Newsletter of Lean and Innovative Thinking for the City of Baltimore

October 2014

Volume 1, Issue 3

Moving Forward: Lean Training and Future Events

Last year, the City began conducting Lean Government events. Three pilots were held for the retail business districting license process, the One-Stop Career Center within Mondawmin Mall, and the parking meter bagging process. All three events were successful. Wanting to continue its Lean journey, the City issued an RFP asking for submissions for Lean event facilitators as well as a vendor who would provide Lean training to City employees.

The City is pleased to announce that three vendors—Neovista Consulting, Global Productivity Solutions, and Operational Performance Solutions, Inc.—have been chosen to be Lean facilitators for future events and placed on a qualified vendors list. As future event topics arise, one vendor from these three will be selected to lead, support, and monitor the event. The vendors will be selected on a rotating basis, while things such as schedules and subject matter expertise may be taken into consideration when selecting one.

Additionally, Operation Performance Solutions, Inc. has been selected as the Lean Government trainer for the City. Training will be administered at three levels: beginner, intermediate, and advanced. Beginner training will include 4 hours of introductory material, including Lean's origins, the different kinds of waste, and an overview of some of the strategies Lean uses to identify and eliminate waste. Intermediate training will encompass all of the elements of the beginner training, as well as giving students one month to "work a problem", i.e. use what they've learned in the Lean classes and apply it to a business process where they work. They will also have two days to review their lean strategies and results with our consultants. At the advanced level, students will have the opportunity to manage their own Lean event and to monitor its progress. Students selected for the advanced level class are selected with the intent of taking the Lean certification exam administered by the Society of Manufacturing Engineers with the intent of becoming certified at the bronze level., the ultimate goal being to build a cadre of Lean facilitators within the City, lessening dependence on outside contractors and hastening the building of a Lean culture.

Before the training classes begin, the Cabinet will receive beginner level training, the dates of which are being finalized soon. They will then be asked to nominate employees within their agencies who would be good candidates for training. The City is also compiling a new list of ideas for Lean projects, drawing from pilot and agency head suggestions.

We look forward to keeping everyone updated as our Lean events and training progress!

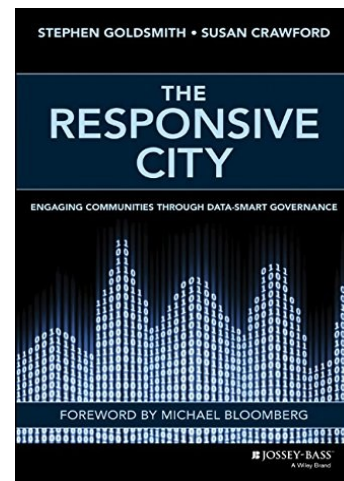
BBMR to Present at the Mid-Atlantic Lean Conference

On October 22nd, Budget Chief Andrew Kleine and BBMR staff member Amy Costanzo will be presenting at the Mid-Atlantic Lean Conference in Timonium, Maryland. Their presentation, entitled *Baltimore's Lean Journey: Lessons Learned Towards Building a Lean Culture*, will focus on the Lean events the City has conducted thus far and what the key lessons were from each one. The presentation will also discuss the City's Lean plan moving forward, including training for City employees and more Lean events. The two-day annual conference, hosted by industry leader The Maryland World Class Consortium, draws Lean professionals from all over the country together to discuss their successes, their challenges, and what lies ahead in order to transform culture and encourage innovative, creative thinking to solve pressing problems. Andrew and Amy are looking forward to meeting with fellow Lean professionals and learning more about how to make Baltimore a better performing city.

Our next meeting of the Good Government Book Club will be held on Monday, November 24th, at 12pm in the Innovation Lab (201 E. Baltimore Street, 2nd Floor). This month's selection is *The Responsive City* by Steven Goldsmith and Susan Crawford. It is about civic engagement and governance in the digital age that will help leaders link important breakthroughs in technology and data analytics with age-old lessons of small-group community input to create more agile, competitive, and economically resilient cities. Featuring vivid case studies highlighting the work of pioneers in New York, Boston, Chicago and more, the book provides a compelling model for the future of governance. Author Stephen Goldsmith, the former mayor of Indianapolis and the former deputy mayor of New York City, will be with us to lead the discussion.

Dessert will be served!

Hope to see you there!



DOT Employees Receive Six Sigma Training

From September 15-17, nine Department of Transportation (DOT) employees were selected to participate in Six Sigma training conducted by New Horizons. Lean and Six Sigma are very similar; however, Six Sigma focuses on eliminating variability and defects in business processes, whereas Lean is more focus on the identification and elimination of waste within a process. Both Six Sigma and Lean are incredibly useful tools in helping government improve performance for its citizens.

For three days, the DOT employees learned the core concepts and principle of Six Sigma. They then took an exam to obtain their green belt, which they all did. Currently, DOT is coming up with a list of projects that would be appropriate to undergo a Six Sigma approach. Once the list is compiled, the projects will be prioritized and DOT will begin tackling each one through the lens of process improvement.

The training that these employees undertook is similar to the Lean training that the City is offering to its employees. As the City moves forward with process improvement training and strategies, BBMR will monitor the different approaches the agencies take and report on them.

Upcoming
Events

- Mid-Atlantic Lean Conference, October 22-23, 2014
- Good Government Book Club Meeting: November 24, 2014

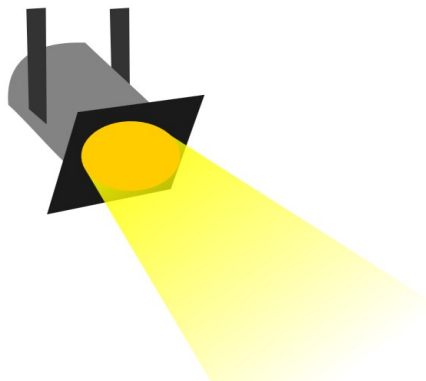


FY2015 Innovation Fund Application Available!

BBMR is pleased to announce that the FY2015 Innovation Fund application is now available at bbmr.baltimorecity.gov! This year, applications will be considered on a rolling basis as opposed to having to be received by a certain deadline. BBMR seeks proposals that include disruptive innovation, a clear path to sustainability, leverage from other funding sources, a customer service focus, and collaboration between agencies. Previous Innovation Fund projects include:

- ePlans (Housing and Community Development)
- Environmental Health (Health Dept.)
- Inter-County Broadband Network (MOIT)
- Single Space Parking Meters (Parking Authority)
- Baltimore Forensic Technology Institute (BCPD)
- Off Street Parking Lots (Parking Authority)
- Smart Energy Meters (DGS)
- Video Camera Reduction Plan (BCFD)
- Megapixel Madness (BCPD)

BBMR looks forward to receiving your applications!



Innovation Spotlight: Single Space Parking Meters

In FY2014, the Parking Authority of Baltimore City (PABC) received an Innovation Fund award to replace mechanical parking meters throughout the City with “smart” meters. What are “smart meters”? They are meters that can accept not only coins, but also credit and debit cards, as forms of payment, can communicate wirelessly with PABC to inform the agency when they were in need of repair, and are harder to damage or break into. 1,727 “smart” meters have been installed in five major business areas. Thus far, smart meters have collected more than \$402,000 more in revenue program since their installation in December 2013 than their mechanical counterparts did in the same time period. This program has been a huge success for PABC and the City. Program manager Candace Lee states, “The IPS Meter Program was started in December 2013. Since its inception, the IPS meters have been well received from everyone. From an operational standpoint, the program has made meter management more efficient due to real-time reporting. Additionally, it has made paying for parking easier and more convenient for customers.” PABC director Peter Little agrees: “Business owners love the smart meters because [they] are more convenient and reliable for their customers. We love the new smart meters because [they] provide us, through their back-office systems, with all sorts of data on parking use that will inform future parking management decisions.”





Light Bulb Thought



Each issue of Leaning Forward will contain a Light Bulb Thought—something to provoke thinking along the line of innovating, improving, and progressing. This issue's Light Bulb Thought is from an article written by John Kotter, Chief Innovation Officer at Kotter International, Inc., entitled “Three Quick Thoughts on Innovation: It's About Nurturing Ideas” (Forbes, 2012).

- 1) **Innovation is irrelevant.** Useful innovation is what you want. It's sort of like leadership. Leadership is not the issue. Good leadership is the issue. Xerox PARC out in Palo Alto may have been the most innovative organization on the planet in the 1980s. So how did that help Xerox back in Rochester? Zero. It led to virtually no profit. No new businesses. No increase in competitive advantage in any Xerox business. No nothing.
- 2) **Useful innovation is not about products and services.** It's about anything that can help an organization prosper. Years ago, the entire U.S. airline industry lost billions and only one firm made any profit. Southwest. How? Innovation in the Finance function. A wild idea took hold called “fuel hedging”. Where you want innovation today is everywhere.
- 3) **Innovation everywhere is never going to happen on a regular basis because you appoint innovation teams.** Great innovations happen because enough people want to be innovative, want the innovations to be useful, and are convinced they have the permission to try to be innovative. These conditions are not natural. They need to be created and nurtured. And they can be.